

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION II 290 BROADWAY NEW YORK, NEW YORK 10007-1866

August 5, 2010

BY ELECTRONIC TRANSMISSION

Rick Kennedy, Esq. Hodgson Russ, LLP The Guaranty Building 140 Pearl Street, Suite 100 Buffalo, New York 14202-4040

Re: Administrative Order Index No. CAA-02-2010-1005, In the Matter of Tonawanda Coke Corporation

Dear Mr. Kennedy,

This is regarding the work required by the Administrative Order (the "Order") issued by the United States Environmental Protection Agency ("EPA") pursuant to Section 113(a)(3) of the Clean Air Act (the "Act"), 42 U.S.C. §7413(a)(3), to Tonawanda Coke Corporation on April 28, 2010 regarding its facility located in Tonawanda, New York (the "Facility").

Regarding the scope of the work to be performed pursuant to the Order, in your June 23, 2010 letter to EPA, you propose that the root cause analysis and related assessments be conducted with respect to specific equipment, including: the existing power supply system; the collector mains at batteries numbers 1 and 2; the exhauster operator station; exhausters numbers 1, 2, and 3 and related motors; the diesel-fuel operated power generator package; the BP flare system (including ignition and pilot lights systems); the battery flare system (including ignition and pilot lights systems); and the ammonia stills. Your June 23, 2010 letter states that the root cause analysis and related assessments will not extend generally to the battery and by-product recovery side of the plant.

We have reviewed your submission - please clarify the following:

1. Regarding the "existing power supply system" - does this include the steam generators? If not, they should be included.

- 2. Regarding the collector mains at batteries 1 and 2 are there 2 separate batteries? Are they both currently in use? Please confirm.
- 3. Regarding the battery flare system is that the new ground flare or is that the flare on the main stack? Both should be included.
- 4. We understand that the Facility now purchases power from the grid. Please confirm whether that is true. If so, the assessment should include an evaluation of the effect on the Facility of a loss of power from the grid.

Regarding your request to limit the root cause analysis and related assessments be conducted with respect to specific equipment, Paragraph 52.c. of the Order requires, in part, that the assessment, should at a minimum, address "the exhausters, generators, pilot light, and any equipment which handles regulated substances." The term "regulated substances" as used in the Order and as described in Paragraph 5 of the Order, is a substance listed pursuant to Section 112(r)(3) of the Act. The list of substances regulated under Section 112(r) of the Act is set forth at 40 C.F.R. § 68.130. The assessment to be conducted pursuant to Paragraph 52.c. of the Order should include, in addition to the specific equipment identified in your June 23, 2010 letter, the steam generators, both the ground flare and the flare on the main stack, as well as any other areas where coke oven gas and any of the components which are regulated pursuant to Section 112(r)(3) of the Act are located. Such regulated components include hydrogen sulfide, ammonia, sulfur dioxide, ethylene, ethane, acetylene, methane, propane, propylene, and propadiene. To the extent that the battery and by-product recovery side of the plant handle regulated substances, pursuant to the Order, such areas should be included in the root cause analysis and related assessments, as well as any other portions of the plant not specifically discussed in your correspondence to EPA and EPA's responses.

To the extent that such areas or portions of such areas are addressed by other EPA enforcement actions, the results of actions taken by the Facility in those areas can be included in the Final report required by Paragraph 52.d. of the Order, however such actions, in response to violations identified by EPA may not be as comprehensive as the activities required by Paragraph 52.c. of the Order.

If you have any questions about this or about the Order, please contact me at (212) 637-3164.

Sincerely,

Jean H. Regna

Assistant Regional Counsel Office of Regional Counsel

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